

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6640

BILL NUMBER: HB 1093

NOTE PREPARED: Dec 20, 2010

BILL AMENDED:

SUBJECT: Serving Alcohol During the Indiana State Fair.

FIRST AUTHOR: Rep. Cherry

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
☐ **FEDERAL**

IMPACT: State & Local

Summary of Legislation: The bill provides that the State Fair Commission may give a priority to value-added Indiana agriculture when determining the types of alcoholic beverages to be sold at the Indiana State Fair grounds.

It repeals a provision that prohibits the sale of alcoholic beverages at the State Fair grounds during the period of the Indiana State Fair.

Effective Date: July 1, 2011.

Explanation of State Expenditures: *Enforcement:* Any fiscal impact of repealing prohibition of alcoholic beverages at the State Fair grounds during the Indiana State Fair is expected to be minimal. A violation may be charged as a Class B misdemeanor or the vendor's permit may be revoked. There are no cost savings expected from repeal of this provision.

Explanation of State Revenues: *Alcohol Sales:* To the extent that this bill increases alcoholic beverage sales, collections of alcoholic beverage excise taxes could increase. Any impact on Sales Tax revenue is expected to be minimal since any additional purchases of alcohol would likely reduce consumer spending on other sales taxable items.

Excise tax revenue is deposited in the state General Fund, the Enforcement and Administration Fund, the Pension Relief Fund, the Addiction Services Fund, the Wine Grape Market Development Fund, and the Post War Construction Fund.

Sales tax revenue is deposited in the state General Fund (99.178%), the Public Mass Transportation Fund (0.670%), the Industrial Rail Service Fund (0.029%) and the Commuter Rail Service Fund (0.123%).

Enforcement: The reduction in convictions for this offense is expected to have little impact on state revenues. The maximum fine for a Class B misdemeanor is \$1,000, which is deposited in the Common School Fund. Additionally, for a case which is filed in a circuit, superior, or county court, 70% of the \$120 court fee that is assessed and collected when a guilty verdict is entered would be deposited in the state General Fund. If the case is filed in a city or town court, 55% of the fee would be deposited in the state General Fund. In addition, some or all of the document storage fee (\$2), automated record keeping fee (\$7), judicial salaries fee (\$18), public defense administration fee (\$3), court administration fee (\$5), judicial insurance adjustment fee (\$1), and the DNA sample processing fee (\$1) are deposited into the state General Fund.

Explanation of Local Expenditures: *Enforcement:* A Class B misdemeanor is punishable by up to 180 days in jail. The average daily cost to incarcerate a prisoner in a county jail is approximately \$44.

Explanation of Local Revenues: *Enforcement:* Court actions that occur and a guilty verdict is entered, local governments would receive revenue from the following sources: The county general fund would receive 27% of the \$120 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. In addition, several additional fees may be collected at the discretion of the judge and depending upon the particular type of criminal case.

State Agencies Affected:

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources:

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